

February 21, 2013

Members of the Senate Banking Committee:

The undersigned organizations, which include a broad cross-section of stakeholders in affordable housing, urge you to take action to enact rental assistance reform legislation early in 2013. It is critical that the Banking Committee act promptly on this good government legislation since the savings and efficiencies it would create are urgently needed and should be enacted in time to take effect in fiscal year 2014. HUD's rental assistance programs face difficult budget pressures, and reform legislation would help state and local agencies stretch limited funds and minimize the risk of harsh cuts in assistance to needy families.

We have attached a list of ten specific, high-priority reforms that we believe should be included in legislation. *These reforms would reduce program costs by more than \$2.3 billion over five years, according to the Congressional Budget Office.* The reforms ease administrative burdens for housing agencies and owners, deliver fairer and more efficient assistance to low-income families, provide new tools to leverage private capital for affordable housing preservation and development and encourage self-sufficiency.

These reforms all have broad support from state and local housing agencies, low-income housing advocates, for-profit and non-profit affordable housing providers, and other stakeholders. In addition, they have all been vetted by Congress in previous sessions, and most were included in the Affordable Housing and Self-Sufficiency Improvement Act developed by the House Financial Services Committee in 2012.

The Banking Committee held two important hearings in the second half of 2012 that highlighted the pressing need for rental assistance reform and the broad consensus behind the core reforms. Your continued leadership will be essential to enacting legislation this year.

We look forward to working with you to enact rental assistance reform legislation.

Sincerely,

- Center on Budget and Policy Priorities
- Consortium for Citizens with Disabilities Housing Task Force
- Corporation for Supportive Housing
- Council for Affordable and Rural Housing
- Council of Large Public Housing Authorities
- Enterprise Community Partners
- Institute of Real Estate Management
- LeadingAge
- Local Initiatives Support Corporation
- National Affordable Housing Management Association
- National Alliance to End Homelessness
- National Apartment Association
- National Association of Home Builders
- National Council of State Housing Agencies
- National Housing Trust
- National Leased Housing Association
- National Low-Income Housing Coalition
- National Multi Housing Council
- Public Housing Authorities Directors Association
- Stewards for Affordable Housing for the Future

High-Priority Rental Assistance Reforms

Rental assistance legislation should include the ten core reforms listed below. Some additional improvements could be included, but it is important to avoid divisive measures that would undermine the broad consensus behind the core reforms. Except where noted, “AHSSIA” refers to the draft of the Affordable Housing and Self-Sufficiency Improvement Act circulated by the House Financial Services Committee on April 13, 2012.

- Section 101 of AHSSIA, which would streamline voucher housing quality inspections and protect families living in units where repairs are needed to meet quality standards.
- Measures to streamline rent calculations and income determinations, including most provisions of Section 102 of AHSSIA as well as Section 19 of the December 1, 2010 draft of Section 8 Voucher Reform Act (which provides for sharing of income data between housing and food assistance agencies).
- Section 104 of AHSSIA, which would modestly raise rental assistance income targeting limits to admit more working poor families, particularly in rural areas.
- Section 105 of AHSSIA, which would make housing agencies’ voucher funding allocations more stable and predictable while still permitting appropriators to set the overall annual funding level.
- Section 106 of AHSSIA, which provides agencies added flexibility ability to enter into “project-based” voucher agreements to preserve and develop affordable housing.
- Section 108 of AHSSIA, which would make the admissions process for the housing voucher program fairer and more effective at serving homeless applicants by limiting screening to criteria related to suitability as a tenant.
- Title II of AHSSIA, which authorizes the Rental Assistance Demonstration to test strategies to leverage private funds to address public housing capital needs and preserve units assisted through the Section 8 Moderate Rehabilitation program, and would allow properties assisted under the legacy Rental Assistance Payment and Rent Supplement programs to convert to project-based section 8 contracts. .
- S. 3513, introduced by Senator Reed in the 112th Congress to strengthen and make families served by the project-based section 8 program eligible for the Family Self-Sufficiency program, which provides rental assistance recipients job counseling and financial incentives to work and save. (Section 301 of AHSSIA contains similar provisions.)
- Title IV of AHSSIA, which provides added flexibility for a limited number of high-capacity housing agencies to meet their local housing needs, along with essential protections safeguarding low-income families’ rights and ensuring that agencies maintain the number of families they assist. (HUD proposed several changes to Title IV on May 15, 2012, most of which have broad stakeholder support and should be included in legislation.)
- Section 501 of AHSSIA, which provides for HUD to make available translations of key forms and documents for assistance recipients with limited English proficiency.